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Viewed as a scientific production, *The Cutlery Trades* is deserving of nothing but unstinted praise. The book is an able study of industrial history which should be in every important library, a memorial to the cutlery-trade workers of the past, and a demonstration of the scholarly and persevering character of its author.

S. ROY WEAVER

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Natural Money. The Peaceful Solution. By JOHN RAYMOND CUMMINGS. New York: Bankers Publishing Co., 1912. 8vo, pp. 210. \$2.00.

The volume under review presents one of the most ingenious and plausible schemes for an irredeemable paper money that has ever been advanced. For the purpose of simplicity in exposition the author assumes a new, small, and isolated community in which gold and silver are used as money. In order to develop a substantial community a certain amount of public work must be performed; and it is agreed that each citizen shall render thirty days' public service yearly or pay the equivalent in money.

Many individuals rather than perform this public service would prefer to hire substitutes in order to save their own time for the private employments in which they are particularly efficient. The payment for substitutes establishes a minimum common labor wage.

In the beginning a man who desired a substitute made arrangements with him and notified the overseer of public works, giving the name of his substitute. The overseer gave the receipts accordingly to the workman, who delivered them to his employer and received his pay; but after a time, probably to save work in making the receipts, they used printed blanks requiring only the filling-in of the worker's name and the overseer's stamped signature. These each worker delivered to his employer [p. 22].

Later even this was found to be unnecessary, for it involved personal engagements to perform the service and subsequent settlements of each worker with his employer. The worker soon found that the receipts could be used with the grocer, butcher, merchant, etc., being acceptable because good in payments to the government. When, now, denominations representing service from the fourth part of a day up to five and ten days were issued, it was found that a new monetary system had been invented. Gold and silver disappeared from circulation by finding its way into the public treasury and not being reissued. The certificates of

service performed passed current on the same basis as coin, a full-day certificate as two dollars.

The specie in the treasury proved to be unnecessary as a redemption fund.

These receipts pass current because, being impersonal, anyone who is prepared to surrender them to the amount of his services due is thereby discharged of his obligation; shows that he has rendered the service personally or by proxy. By surrendering them he designates for credit to his own account that part of public service for which the certificates were issued; and the certificates go back to be canceled or to be reissued in acknowledgment of further service [p. 31].

To insure the requisite amount of currency for the needs of trade, however, the author finds a very simple and automatic method. Foreseeing that a definite number of days of labor might give either too much or too little currency as the case might be, he believes that it is necessary to command the board of public works to employ all unskilled workers who apply at two certificates per day; and as many skilled laborers as may be needed—at such compensation as is necessary to secure the number required.

The way in which this plan will work to accomplish what we seek is this: If at any time, for any reason whatsoever, there are not enough certificates in circulation to meet the demands of trade, their value will rise slightly, or what is the same in effect, general values, prices, will fall, including the price of labor in private employment. This will cause an increase in the number of public workers and a consequent expansion of the currency. Instead of saying that prices would fall I think it better to say that trade would slacken, for it is not likely that prices would noticeably change nor that private wages in general would fall. Instead, it would probably be only a change from brisk to quiet, and laborers whose work in private employment is intermittent or irregular would find less call from private employers, and as a result would spend more time in public work. If some men in private employment were laid off temporarily they would shift to public work until the deficiency of certificates was made good and business became brisk again [p. 32].

On the other hand, if there should ever be too many certificates in circulation their value would fall slightly, or business would become more brisk at prevailing prices and workers would be drawn from public to private employment (not many but a few) and cancellation by payment of taxes would bring about adjustment [p. 33].

The author carefully points out that in this shifting process it would be necessary for only a marginal few to transfer in order to restore the proper balance.

It is obvious from the foregoing that this writer has seen the necessity of limiting the quantity of paper money, and he believes that he has automatically solved that problem by first basing his currency on service performed, and then giving those who serve an unrestricted opportunity to work for the government or in private employment, whichever offers the more favorable opportunity. The retirement or contraction of any surplus is effected through acceptance of the certificates by the government in lieu of service.

The results of this system of natural money will be the peaceful solution of practically all the problems of our time. Once insure constant employment to all workers at a natural wage and the solution of our problems follows as a matter of course.

The book is very well written and in the closing chapters is highly entertaining. The pictures of peaceful and happy homes, of love and harmony among men, and of the remarriage of *Capitulus* and *Labora* are beautifully drawn.

To go into a detailed criticism of the scheme is unnecessary. For practical purposes it breaks down because it provides no money that would be acceptable in foreign trade. There is no guaranty that an increase in prices and the resulting stimulus to business would not prove so (apparently) beneficial for a time as to lead the government to double its rate of pay for service rendered. And finally, there is no assurance whatever that this surplus would be reduced. Government service would decline, it may be, but the currency once issued would not thus be reduced. It had been necessary to abolish a definite required service on the part of every citizen in order to make the system automatic and natural. This renders an effective check on inflation impossible. Finally, the author has not attempted to show how the system could be introduced and brought to supersede the present complicated monetary system.

H. G. MOULTON

UNIVERSITY OF CHICAGO

Atlas of Railway Traffic Maps. By WILLIAM ARTHUR SHELTON.
Chicago: LaSalle Extension University, 1913. 21 maps.
\$3.00.

Our present railway rate structure, a product in part of geographic influences and in part of past economic conditions, presents varying characteristics as we pass from one rate territory to another. An intelligent study of this complex is aided greatly by reliable maps.